

RESOLUTION NO. FEDC 01-03-031

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
FRISCO ECONOMIC DEVELOPMENT CORPORATION, A
TEXAS NON-PROFIT CORPORATION**

A duly and regularly called meeting of the board of Directors of the FRISCO ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation, was held on March 21, 2001, at the offices of the corporation at which a quorum was present and voting throughout and thereat the following motion was duly made, seconded and unanimously adopted:

RESOLVED, that the FRISCO ECONOMIC DEVELOPMENT CORPORATION makes application to the City Council of the City of Frisco, Texas to amend the Bylaws of the Corporation as stated in the Amended and Restated Bylaws draft March 16, 2001.

I further certify that the foregoing action of said corporation now appears in the minutes of said corporation, such actions have not been amended, altered or revoked.

PASSED AND APPROVED this 21st day of March, 2001.

Ray Smith, Chairman

ATTEST:

Jim Kildebeck, Corporate Secretary

AMENDED AND RESTATED BYLAWS OF FRISCO ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I ***PURPOSE AND POWERS***

Section 1. Purpose: The corporation is incorporated for the purposes set forth in Article Four of its Articles of Incorporation, the same to be accomplished on behalf of the City of Frisco, Texas (the "City") as its duly constituted authority and instrumentality in accordance with the Development corporation act of 1979, as amended, Tex. Rev. Civ. Stat. Ann. Art. 5190.6, as amended, (the "Act"), and other applicable laws.

Section 2. Powers: In the fulfillment of its corporate purpose, the corporation shall be governed by Section 4A of the Act, and shall have all of the powers set forth and conferred in its articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

ARTICLE II ***BOARD OF DIRECTORS***

Section 1. Powers, Number and Term of Office:

(a) The property and affairs of the corporation shall be managed and controlled by a Board of Directors (the "Board") and, subject to the restrictions imposed by law, by the Articles of Incorporation, and be these Bylaws, the Board shall exercise all of the powers of the Corporation.

(b) The Board shall consist of five (5) directors, each of whom, as well as each replacement, shall be appointed by the City Council (the "Council") of the City. The Council shall consider an individual's experience, accomplishments and educational background in appointing members to the Board. The Council shall appoint one Director recommended by the Frisco Independent School District Board of Trustees. The Board may make recommendations of individuals to the Council for appointment to the Board. The Frisco Chamber of Commerce Board of Directors and any other appropriate organization may submit a Director recommendation to the Council. All directors shall be residents of the City of Frisco.

(c) Each member of the Board appointed subsequent to the effective date of these Amended and Restated Bylaws shall be appointed by the Council for a two (2) year term, and shall be eligible to serve a limit of four (4) consecutive two (2) year terms unless extended by a super majority vote of the Council or until his or her successor is appointed or until his or her resignation, as herein provided and in accordance with the Articles of Incorporation. This amendment to the term length by these Amended and Restated Bylaws shall not effect the length of the current term for any existing board member. Any vacancy occurring before a term is completed shall be filled by appointment by the Council. Any Director appointed to complete a partial term shall be considered as having served for purposes of determining that Director's term limits. Any Director that has completed their term limits shall be eligible to be reappointed after one (1) year.

(d) Any director may be removed from office by the Council for cause or at will.

Section 2. Meetings of Directors: The directors may hold their meetings at such place or places in the City as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation as specified in Article V of these Bylaws.

Section 3. Open Meetings Act: All meetings and deliberations of the Board shall be called, convened, held, and conducted, and notice shall be given to the public, in accordance with the Texas Open Meetings Act, Article 6252-17, Tex. Rev. Civ. Stat. Ann., as amended.

Section 4. Notice of Meetings: To the extent that the Open Meetings Act conflicts with the provisions of this section, the Open Meeting Act shall govern.

(a) Regular meetings of the Board shall be held without the necessity of written notice to the Directors at such times and places as shall be designated from time to time by the Board. Special Meetings of the Board shall be held whenever called by the Chair of the Board, by the secretary, by a majority of the directors, by the Mayor of the City, or by a majority of the City Council. Nothing contained in this Section 3 shall vitiate the notice requirements contained in section 4 hereafter.

(b) The Secretary shall give notice to each director of each Special Meeting in person, by mail, by electronic mail, or telephone, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered as acted upon at a Special Meeting. At any meeting at which every director shall be present, even though without notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.

(c) Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation or said notice shall be deemed sufficient if sent by electronic mail to the person entitled thereto at his or her electronic mail address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing or electronic mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any Regular or Special Meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless required by the Board. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5. Quorum: A majority of the directors shall constitute a quorum for the conduct of the official business of the Corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law.

Section 6. Conduct of Business:

(a) At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board.

(b) At all meetings of the Board, the Chair of the Board shall preside, and in the absence of the Chair of the Board, the Vice Chair shall exercise the powers of the Chair of the Board.

(c) The Secretary of the Corporation shall act as Secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 7. Committees of the Board: There may be standing committees of the Board as the Board may from time to time create. Each such committee shall be composed of no more than two (2) Directors and such other persons as may be chosen by the Board for their applicable abilities and experience. The Board may delegate to any committee such authority the Board deems necessary or desirable provided that such delegation is specified in written resolution duly adopted by the Board.

Anything to the contrary contained herein notwithstanding, all final, official actions of the Corporation may be exercised only by the Board. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation.

Section 8. Compensation of Directors: Directors shall not receive any salary or any other compensation for their service as directors. However, Directors may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties hereunder.

Section 9. Ex-Officio Members: The City Manager or his designee may attend all meetings of the Board of Directors or Committees, including executive meetings, private, or public. The representative shall not have the power to vote in the meetings he attends; however, he shall have the right to take part in any discussion.

ARTICLE III OFFICERS

Section 1. Titles and Term of Office:

(a) The officers of the Corporation shall be a Chair of the Board, a Vice Chair, a Secretary and a Treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the Chair of the Board shall not hold the office of Vice Chair or Secretary. Terms of office shall be one (1) year, ending June 30, with the right of an officer to be reelected.

(b) All officers shall be elected by and be subject to removal from office at any time by a vote of a majority of the entire Board.

(c) A vacancy in the office of any officer shall be filled for the remaining term by a vote of a majority of the entire Board.

Section 2. Powers and Duties of the Chair of the Board: The Chair of the Board (the "Chair") shall be the presiding officer of the Board with the following authority:

(a) Shall preside over all meetings of the Board.

(b) Shall vote on all matters coming before the Board.

(c) Shall have the authority, upon notice to the members of the Board, to call a special meeting of the Board when in his or her judgment such a meeting is required.

(d) Shall have the authority to appoint, with Board approval, standing committees to aid and assist in its business undertakings or other matters incidental to the operations and functions of the Board.

(e) Shall have the authority to appoint, with Board approval, ad hoc committees which may address issues of a temporary nature of concern or which have a temporary affect on the business of the Board.

In addition to the above mentioned duties, the Chair shall sign with the Secretary of the Board or other designated person any deeds, mortgage, bonds, contracts, or other instruments which the Board has approved and unless the execution of said document has been expressly delegated to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by statute. In general, the Chair shall perform all duties incidental to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 3. Vice Chair: The Vice Chair shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the Chair of the Board during that officer's absence or inability to act. Any action taken by the Vice Chair in the performance of the duties of the Chair of the Board shall be conclusive evidence of the Chair's absence or inability to act Chair at the time such action was taken.

Section 4. Treasurer: The Treasurer shall have the responsibility to see to the handling, custody, and security of all funds and securities of the Corporation in accordance with these Bylaws. When necessary or proper, the treasurer may endorse and sign, on behalf of the Corporation, for collection or issuance, checks, notes and other obligations in or drawn upon such bank or banks or depositories as shall be designated by the Board consistent with these Bylaws. The Treasurer shall see to the entry in the books of the Corporation full and accurate accounts of all monies received and paid out on account of the Corporation. The Treasurer shall, at the expense of the Corporation, give such bond for the faithful discharge of his duties in such form and amount as the Board or the Council may require.

Section 5. President: The President shall be a compensated employee of the Board. The President shall be the chief executive officer of the Corporation responsible for all daily operations and the implementation of Board policies and resolutions. The President shall attend all called Board meetings and perform those duties and functions, as the Board shall prescribe.

Section 6. Secretary: The Secretary shall keep the minutes of all meetings of the Board in books provided for that purpose, shall give and serve all notices, may sign with the President in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of the secretary subject to the control of the Board. The Secretary shall submit a copy of all Corporation minutes and actions to the City Secretary within a reasonable time after a meeting.

Section 7. Officer Election: The Chair of the Board, each Vice Chair, Secretary, and Treasurer shall be elected from among the members of the Board. The appointment of assistant secretaries may, at the option of the Board, be persons other than members of the Board, but they shall be employees of the FEDC or the City.

Section 8. Compensation: Officers who are members of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties hereunder. Other officers, who are not members of the Board, may be compensated as directed by the Board.

Section 9. Personnel: The Corporation may establish full-time and/or part-time personnel positions. Personnel positions so established shall be reflected in the Annual Corporate Budget and approved accordingly, as referenced in Article VI, Section 2 of these Bylaws.

ARTICLE IV

FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. Economic Development Plan:

(a) The Board shall research, develop, prepare, and submit to the Council for its approval, an economic development plan for the City, which shall include proposed methods and the expected costs of implementation. The plan shall include both short-term and long-term goals for the economic development of the City. Said Plan should take into consideration general development plans and policies of the Council.

(b) Board shall review and update the plan each year prior to submission of the annual budget required by other provisions of these bylaws.

Section 2. Annual Corporate Budget: At least sixty (60) days prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the City Manager for inclusion with the annual budget submitted to the Council. The budget shall not be effective until the same has been approved by the Council.

Section 3. Books, Records, Audits:

(a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs.

(b) At the direction of the Council, the books, records, accounts, and financial statements of the Corporation may be maintained for the Corporation by the City. In such an event, the Corporation shall pay to the City reasonable compensation for such services.

(c) The Corporation, or the City if the option described in subsection (b) is selected, shall cause its books, records, accounts, and financial statements to be audited at least once each fiscal year by an outside, independent auditing and accounting firm selected by the City. Such audit shall be at the expense of the Corporation.

Section 4. Deposit and Investment of Corporate Funds:

(a) All proceeds from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to the issuance.

(b) All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for by the Board in accordance with the Act. The Board shall designate the accounts and depositories to be created for such purposes, and the methods of withdrawal of funds therefrom for use by and for the purposes of the Corporation upon the signature of its Treasurer (or in his or her absence, the Chair of the Corporation) and the City Manager (or in his absence, an Assistant City Manager or the Assistant to the City Manager). The accounts reconciliation and investment of such funds and accounts shall be performed by the Finance Department of the City. The Corporation shall pay reasonable compensation for such services to the City.

(c) Notwithstanding any provisions to the contrary contained herein and to facilitate the daily operation of the Corporation, the Board may delegate to the President or another employee the authority to sign and negotiate corporate checks for amounts not to exceed One Thousand Dollars (\$1,000.00).

Section 5. Expenditures of Corporate Money:

The monies of the Corporation, including sales and use taxes collected pursuant to Section 4A of the Act, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitations:

(a) Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures, or other agreements submitted to and approved by the City Council prior to the sale and delivery of the Obligations to the purchasers thereof required by Section 6 of this Article;

(b) Expenditures may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations may be used for the purposes of financing or otherwise providing one or more "Projects", as defined in the Act. The specific expenditures shall be described in a resolution or order of the Board and shall be made only after the approval thereof by the City Council;

(c) All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Section 2 of this Article.

Section 6. Issuance of Obligations: No Obligations, including refunding Obligations, shall be sold and delivered by the Corporation unless the Council shall approve such Obligations by action taken no more than sixty (60) days prior to the date of the sale of the Obligations.

Section 7. Conflicts of Interest: A Board member, officer of the Corporation, or member of the Council may not lend money to or borrow money from the Corporation or otherwise transact business with the Corporation.

Section 8. Gifts: The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purposes of the Corporation.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 1. Principal Office:

(a) The principal office of the Corporation in the State of Texas shall be located in the City of Frisco, Texas, Collin County, Texas.

(b) The Corporation shall have and shall continually maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as required by the Development Corporation Act of 1979. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board.

Section 2. Fiscal Year: The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 3. Seal: The seal of the Corporation shall be as determined by the Board.

Section 4. Resignations: Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the chairman or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. Approval or Advice and Consent of the Council: To the extent that these Bylaws refer to any approval by the City or the Council or refer to advice and consent by the Council, such approval, or advice and consent, shall be evidenced by a certified copy of a resolution, order, or motion duly adopted by the Council.

Section 6. Services of City Staff and Officers: Subject to approval by the City Manager, the Corporation shall have the right to utilize the services of the City Attorney, the City Secretary, and the Finance Department of the City, provided:

(a) The Corporation shall pay reasonable compensation to the city for such services; and

(b) The performance of such services does not materially interfere with the other duties of such personnel of the City.

Section 7. Indemnification of Directors, Officers and Employees:

(a) As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

(b) The Corporation shall indemnify each and every member of the Board, its officers, and its employees, and each member of the Council and each employee of the City, to the fullest extent permitted by law, against any and all liability or expense, including attorneys fees, incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Corporation.

Section 8. Members and Stock: The Corporation shall have no members or stockholders.

ARTICLE VI
EFFECTIVE DATE, AMENDMENTS

Section 1. Effective Date: These Bylaws shall become effective upon the occurrence of the following events:

- (a) The adoption of the Bylaws by the Board; and
- (b) The approval of these Bylaws by the City Council.

Section 2. Amendments to Articles of Incorporation and Bylaws. The Articles of Incorporation of the Corporation and these Bylaws may be amended only in the manner provided in the Articles of Incorporation and the Act.

Adopted this _____ day of _____, 2001.

Ray Smith,
Chairman of the Board of Directors

Attest:

Jim Kildebeck,
Corporate Secretary

Resolution No. _____

APPROVED BY THE CITY COUNCIL OF THE CITY OF FRISCO ON

The _____ day of _____, 2001.

Kathleen Seei, Mayor